



## Investing in Our Future

Going into the 88th Legislative session in January 2023, we were presented with a unique opportunity to make major investments in vital needs across the state. Texas Comptroller Glenn Hegar announced that the state of Texas was on track to have an unprecedented budget surplus that was estimated at almost \$33 billion. This record-setting amount was due to increased economic growth following the decline of COVID-19 restrictions, as well as increased inflation causing increased state tax collections. With this news, the Legislature went straight to work to ensure robust funding for public and higher education, property tax relief, various infrastructure projects, and much more.

House Bill (HB) 1, the state's appropriation bill for 2024-2025, included nearly \$18 billion in property tax relief, \$5 billion for teacher salary increases and other educational priorities, \$5 billion for benefit enhancements for retired teachers, as well as an increase of \$3.2 billion to the Foundation School Program. Also included in HB 1 was a \$4.8 billion increase for our institutions of higher education and \$2.2 billion for public junior colleges. Throughout this newsletter, I will expand on these investments and many more, as well as review the important legislation passed and the impact it will have on Senate District 20 and the state of Texas.

### Public Education

HB 1 provided for the largest boost in public education funding in state history. It fully funded the Foundation School Program and provided for an increase of \$3.2 billion to match the projected student enrollment growth. Also included was \$2.4 billion for increases in the "golden penny" yield, which provides tax revenue that is not subject to recapture by the state. An additional \$5 billion was appropriated for public school teacher pay raises and other educational priorities like special education services; however, the release of these funds depended on legislation that did not pass after four special sessions. This legislation included provisions to create educational savings accounts, or school vouchers, which direct public education funding to private schools and was ultimately rejected by a bipartisan majority. The Legislature must take action during the next legislative session to allow the \$5 million in funding to be distributed to school districts.

### Funding For SD 20 Institutions of Higher Education

UTRGV - \$ 290,376,440

UTRGV School of Medicine - \$ 88,803,241

TAMU-CC - \$ 144,968,291

Del Mar College - \$ 34,214,115

South Texas College - \$ 80,190,088



*Senators Hinojosa and LaMantia joined by representatives from Texas A&M University - Corpus Christi.*

### School Safety

In the wake of the tragedy at Robb Elementary in Uvalde, school safety was top of mind for all legislators. During the 87th Session Interim, I served on the Senate Special Committee to Protect all Texans, which was charged with examining current law regarding school safety and making recommendations on how to further protect students. This session, I cosponsored HB 3, the sweeping school safety bill, which requires an armed security officer at every school and provides for more mental health training for school district employees.

The state budget included \$1.4 billion for school safety measures, which includes \$300 million in HB 1 for an increase to the school safety allotment and \$1.1 billion in SB 30, the state's supplemental appropriations bill, for school safety and security grants.

### Higher Education

A top priority this legislative session was ensuring there are a variety of affordable higher education opportunities for young adults and those wishing to continue their education. HB 1 allocated \$9.9 billion, an increase of over \$1 billion, to fund formulas at higher education institutions. In looking ahead to future generations, the Legislature provided a \$3 billion investment in a newly established endowment fund for higher education, known as the Texas University Fund. Additionally, HB 1 aims to bolster our state's healthcare workforce by investing over \$233 million in graduate medical education to help retain graduating doctors in Texas. Furthermore, to meet the need for additional education and research in the Rio Grande Valley, \$25 million was dedicated to the Texas A&M University System Health Science Center for the construction of a new research facility in Hidalgo County.

I was proud to cosponsor HB 8, which created a new outcomes-based funding model for community colleges and awards state funds to colleges largely based on student outcomes rather than credit hours taken by students. HB 1 included \$650 million to support this reform.

Lastly, HB 1 provided over \$1.5 billion for various financial aid programs, including the TEXAS Grants program, Tuition Equalization Grants program, Texas

Educational Opportunity Grants for Public Community Colleges and State and Technical Colleges, and Student Financial Aid.

### **Texas Water Fund - \$1 Billion**

Following voter approval of Proposition 6, \$1 billion in appropriations will be deposited to the Texas Water Fund. The creation of this fund would further the state's investment in water infrastructure and will help us address both aging infrastructure and the need for new water supply projects. As the state's population continues to grow, so do our water challenges and this investment takes us a step forward to ensure that we have a reliable and sustainable water supply for the future, especially during times of drought.

### **Texas Energy Fund - \$5 Billion**

Winter Storm Uri served as a wake-up call for Texas, exposing vulnerabilities in our energy grid. Additionally, the record-breaking heat and the frequent calls for energy conservations this past summer, have highlighted the need for a more resilient energy infrastructure. Voters approved an initial funding of \$5 billion and enacted enabling legislation to begin providing loans and grants from the Texas Energy Fund to finance upgrades to existing dispatchable electric generating facilities and for the construction of new dispatchable electric generating facilities. This investment will not only enhance the reliability of our electric market but also ensure that we are better prepared to handle extreme weather events and meet the increasing energy demands of our state.

### **Broadband Infrastructure Fund - \$1.5 Billion**

Voters recently approved an investment of \$1.5 billion to an infrastructure fund for the development and financing of broadband, telecommunication, and 9-1-1 services. By voting for this proposition, we are one step closer to closing the digital divide for the millions of Texans without reliable internet access.

### **Centennial Parks Conservation Fund - \$1 Billion**

Our state parks are not only natural treasures but also serve as vital economic drivers, promoting outdoor recreation and education, and enhancing the quality of life for all Texans. According to reports, Texas state parks attract nearly 10 million visitors per year, and the current supply of parks cannot keep up with the demand of our growing population. Voters recently approved an appropriation of \$1 billion to the Centennial Parks Conservation Fund. Charged with the creation and improvement of state parks, this new fund ensures that future generations of Texans can continue to enjoy the beauty as well as the economic and health benefits of our state parks.

## **Property Tax Relief**

One of the greatest legislative achievements during the 2nd Called Special Session was the passage of a historic tax relief package that will benefit homeowners and businesses across the state. I proudly co-authored Senate Bill 2 (SB 2), Senate Bill 3 (SB 3), and House Joint Resolution 2 (HJR 2), which make up the record \$18 billion tax relief plan.

One of the key provisions of SB 2 is the increase in the residential homestead exemption. Following voter approval, homeowners under the age of 65 will be allowed a homestead exemption of \$100,000, while homeowners over the age of 65 or disabled will receive an exemption of \$110,000. This significant increase follows previous increments in 2015 and 2021, when the exemption was

raised to \$25,000 and \$40,000, respectively. For properties that are not homesteads, SB 2 created a pilot program for a circuit breaker on appraised value. The circuit breaker imposes a temporary 20% limitation on appraised value increases for non-homestead real property valued at less than \$5 million. This limitation will be indexed to inflation and will expire on December 31, 2026.

This bill also established three new elected positions for the appraisal district board of directors in counties with a population of 75,000 or more. The membership of the appraisal review board will be determined by the appraisal district board of directors in these counties.

Lastly, SB 3 focuses on providing tax relief to small and medium-sized businesses. It doubles the amount of a taxable entity's total revenue that is exempted from the franchise tax, increasing it from \$1.235 million to \$2.47 million. This change will exempt approximately 67,000 businesses from paying the franchise tax, allowing them to reinvest their resources into growth and job creation. SB 3 also eliminated the requirement to file a No-Tax-Due franchise tax return if that entity does not owe any franchise taxes for that year. This streamlines the tax filing process for businesses, saving them valuable time and money.

## **Food Banks**

Food banks play a critical role in reducing hunger, addressing community health disparities, responding to disasters, and eliminating food waste. To continue providing year-round assistance, food banks rely on their fleets of trucks to transport and deliver goods. However, transportation-related costs such as motor fuel taxes and vehicle registration fees have posed a significant impact on their expenses.

I proudly cosponsored House Bill 3599, by Representative Shawn Thierry, which provides a motor fuel tax and licensing fee exemption to nonprofit food bank trucks. Senate District 20 is home to both the Coastal Bend Food Bank and Food Bank of the Rio Grande Valley and this legislation will allow food banks like theirs to take dollars that would have otherwise gone to taxes and fees and instead reinvest them in the programs they operate.

## **Support for Retired Teachers**

Following the voter approval of Proposition 9, Texas retired teachers are on track to receive long overdue pension increases. I proudly cosponsored SB 10 and HJR 2, which provided certain Teacher Retirement System retirees with an additional one-time supplemental payment (13th check) of up to \$7500 depending on their age. Retired teachers will also receive a cost-of-living adjustment between 2% and 6% depending on when they retired. Coupled with this legislation, HB 1 included \$5 billion to be used to towards these benefit enhancements.



Senator Hinojosa joined by retired teachers from Senate District 20.

# Improving Health Care Services

## Women's Health

During the 87th Legislative Session, we learned about the increasing levels of maternal mortality after a task force was created to investigate the alarming trend. In response to a recommendation made by the task force, the Legislature took a meaningful step in the right direction by extending Medicaid coverage to six months postpartum in 2021. I was pleased to sign on to HB 12 as a cosponsor, which extended that coverage even further to one full year postpartum. This change ensures that mothers can access various medical services, including regular check-ups, mental health support, and screenings for potential complications.

Another important piece of legislation that I proudly coauthored is SB 379, which exempts the sales and use tax for essential everyday items, including menstrual products, wound care dressings, adult and child diapers, maternity clothing, baby wipes, baby bottles, and breast milk pumping products. The legislation's inclusion of these various supplies demonstrates a thoughtful approach to easing the financial strain on families, especially when we look at those in need with low incomes. The cost of raising children or caring for senior family members is significant and by eliminating the sales tax for essential healthcare and childcare supplies, Texas is sending a strong message that it values the health and dignity of its citizens.

## Expanding Mental Health Care

Texas, like many places, faces challenges in mental health access, including disparities in rural areas, limited insurance coverage, and stigma surrounding mental health issues. These factors can hinder people from seeking and receiving help when they need it. Increased access to timely and adequate mental health care was a top priority going into this legislative session.

HB 1 allocated \$9.4 billion in funding for mental health, including funds to address workforce challenges at state facilities, expand community-based services, and address the statewide mental health professional workforce shortage. This is in addition to over \$2.2 billion included in SB 30 to address current waitlists and increase inpatient mental health capacity. Included in that amount is \$85 million for the construction of a behavioral health hospital in Hidalgo County with up to 100 inpatient psychiatric beds, and \$120 million for the construction of a 50-bed state hospital maximum security facility in Cameron County. An investment of \$280.5 million was made to fully fund the Texas Child Mental Health Consortium, aimed at providing early intervention for children at risk of suicide, substance abuse, or becoming a danger to themselves or others.

## Support for Healthcare Workers

As our state population grows, so does the need for a robust healthcare workforce. To meet this challenge, HB 1 included \$2 billion to raise base wages for Medicaid community attendants, \$233 million for graduate medical education, and over \$124 million for other healthcare staffing programs. We also directed \$12 million for the Podiatric Specialty Medicine Program at the University of Texas Rio Grande Valley School of Medicine.

The Legislature also worked on legislation focused on the ongoing nursing shortage. Burnout and workplace violence have been reported as two of the



*Senator Hinojosa speaking at a press conference regarding Medicaid funding for Texas hospitals.*

primary reasons for healthcare workers leaving the field. With the passage of SB 25, there are now new scholarships, grants, and loan repayment programs to support nursing students and faculty. This funding should bolster healthcare education and incentivize potential students to join the field.

Additionally, the legislature passed SB 240 requiring health care facilities to establish a workplace violence prevention committee. The bill further requires facilities to respond to workplace violence by providing post-incident services and protects employees' right to report the incident internally and to law enforcement without retaliation.

## Wholesale Importation of Prescription Drugs

As prescription drug prices continue to rise, consumers are looking for alternative options and solutions to save on costs. To help alleviate this problem, I proudly cosponsored HB 25, which created a wholesale prescription drug importation program to provide Texans with lower cost prescription drugs that are currently available outside of the United States. Through this legislation, Texas can contract with Canadian drug wholesalers and suppliers to import certain prescription drugs that are safe and more affordable compared to our current options. The program will be implemented once FDA approval is received from the federal government.



*Senator Hinojosa joined by Dr. Kelly Miller, President of Texas A&M University-Corpus Christi. TAMUCC recently announced two new public health academic programs, including bachelor of science and master of public health degrees. These programs will further equip students with the education and training to address public health challenges in South Texas.*

# Supporting Economic Growth Through Infrastructure Investments

In addition to the \$13 billion in funding for infrastructure projects approved by the voters in November, the 88th Legislature also made significant investments in the General Appropriations Act and the Supplemental Appropriations bill for transportation and water infrastructure. Overall, these investments in transportation and water infrastructure demonstrate the commitment of the 88th Legislature to address the needs of Texas communities and promote economic growth and development.

## Transportation Infrastructure

The state budget includes almost \$38 billion in funding for the next two years, a \$7 billion increase from the previous biennium, to support Texas Department of Transportation's (TxDOT) operations. This amount included \$600 million for grants and loans for maritime ports. The Port of Corpus Christi has been awarded \$28.5 million in grants from these funds for port development and infrastructure projects. House Transportation Committee Chairman Terry Canales and I, along with the RGV legislative delegation, also secured \$20 million for the Pharr International Bridge, \$10 million in grant funding for the South Texas International Airport in Edinburg, and \$5 million for the Mid-Valley Airport in Weslaco.

These legislative appropriations which include the constitutionally dedicated funds previously approved by the voters, led to the Texas Transportation Commission adopting a record \$142 billion in total investment for Texas' transportation infrastructure in the 2024 Unified Transportation Program (UTP). This is the 10-year statewide roadway construction plan that the (TxDOT) follows to enhance safety, improve congestion and connectivity, and preserve Texas roadways.

### Key Projects Underway or Planned in SD 20

#### Brooks County

- \$60 million to upgrade US 281 in Encino to freeways standards.

#### Jim Wells County

- \$100.8 million to upgrade US 281 to freeway standard from Premont to Falfurrias.

#### Hidalgo County

- \$238 million for the International Bridge Trade Corridor Phase 1
- \$150 million for a new freeway in Pharr to connect US 281 to US 77
- \$31 million to widen FM 1423 in McAllen from Minnesota Rd. to IH-2

- \$13 million to widen FM 494 in McAllen from Mile 5 to Mile 3
- \$6.2 million to widen SH 364 in Mission from FM 2221 to FM 676
- \$26.2 million to widen SH 107 in Alton from FM 676 to FM 681/FM 2993

#### Nueces County

- \$60 million to upgrade infrastructure at the ferry landings in Port Aransas.
- \$60 million to upgrade SH 286 from FM 43 to South of FM 2444
- \$33.6 million to widen freeway on SH 286 from SH 358 to Horne Rd.
- \$56 million for freeway ramps on SH 358 from Nile Drive to Staples Street

## Water Infrastructure

The legislature appropriated \$625 million to the Texas Water Development Board for the Flood Infrastructure Fund to provide financial assistance for flood control, flood mitigation, and drainage projects. The TWDB has also received \$125 million for match funding to leverage an estimated \$757 million in federal funds for the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund programs. To help smaller and rural communities to access these funds, the Legislature appropriated \$5 million to TWDB to provide technical assistance to rural entities.

## SD 20 Project Highlight: City of Alice Desalination Plant Project

In September, I joined City of Alice Mayor Cynthia Carrasco, the members of the City Council, Jim Wells County Judge Pete Trevino Jr, Representative J.M. Lozano, the CEO of Seven Seas Water Group, and many others at the groundbreaking ceremony for the City of Alice Desalination Plant. This will be the first brackish water public-private partnership project in the state of Texas.

The City of Alice received a substantial amount of assistance from the Texas Water Development Board. This financial assistance, totaling \$7,000,000, which includes \$2 million in loan forgiveness, will be used for planning, acquisition, design, and construction of the desalination plant.

Currently, the City relies on purchasing water from the City of Corpus Christi, but with the development of this new plant, they will have a self-sufficient and drought proof water supply. This project is not only crucial for the well-being of the community but also for attracting businesses and increasing economic activity. Water is life, and the City of Alice is taking a proactive approach to ensure its availability for years to come.



Senator Hinojosa with city and county officials at the groundbreaking of the City of Alice Desalination Plant.

# A Personal Note from the Senator

*Dear Friends,*

The 88th Legislative Session has come and gone, and I am proud all that was accomplished for Senate District 20, much of it largely attributed to the effective leadership and collaboration within the South Texas delegation.

This year was full of legislative and funding successes for Texans, including property tax relief, strengthened public schools, increased support for retired teachers, improved access to mental health care, broadband, and childcare, and major investments in natural resources like energy and water.

Serving as the Vice Chair of the Senate Finance Committee, I'm honored to contribute to the important budget writing process. I also have the privilege of serving on the Senate

Committees on Border Security, Criminal Justice, and Jurisprudence. As always, I value your input in shaping our next legislative agenda and look forward to continuing working towards a healthier, safer, and more prosperous state for our families and the generations to come.

Thank you for entrusting me with the honor of serving the constituents of Senate District 20. My staff and I stand ready to answer your questions or assist you, so please do not hesitate to call or write me or come by any of my offices in the district or in Austin.

Semper Fi,



Senator Juan "Chuy" Hinojosa  
State Senator, District 20



Senator Hinojosa and Ms. Opal Lee, also known as the Grandmother of Juneteenth, at the unveiling of her portrait in the Senate Chamber.



Senator Hinojosa attends the groundbreaking of the Center for Urban Ecology (CUE) at Quinta Mazatlan World Birding Center.



Senator Hinojosa joined by veterans from Senate District 20.

## Criminal Justice Reform

Of significance during this session were four bills passed by Senator Hinojosa relating to criminal justice reform: Senate Bills 338, 409, 991, and 1841. The first, SB 338, barred the admissibility of witness testimony derived from forensic hypnosis, a practice that has long been considered outdated and unreliable. The second, SB 409, created minimal rules of engagement for prosecutors' offices to facilitate a better experience for victims of sexual violence as they navigate the criminal justice system. It also clarified and strengthens the Constitutional rights of crime victims without hindering prosecutor discretion or creating unworkable penalties. The third, SB 991, created a centralized Crime Laboratory Portal at the Department of Public Safety which will allow for key forensic laboratory records to be made accessible seamlessly to prosecutors and defense attorneys. Lastly, SB 1841 revised the outdated statute that outlines the services that family violence centers are required to provide. These bills bring us a step closer to safer communities for all and help the state achieve a fairer criminal justice system.

## Addressing the Fentanyl Crisis

Fentanyl-related overdoses in Texas are on the rise, reflecting a broader national trend. In fact, about 66% of opioid-related deaths in Texas involve synthetic opioids like fentanyl. As little as two milligrams of this incredibly potent drug, about 6 grains of salt, can cause a fatal overdose. Drug traffickers are taking full advantage of the high profitability of counterfeit prescription pills and other lace drugs, as evidenced by the record amounts of fentanyl seized by both state and federal law enforcement. In an effort to combat this crisis, I cosponsored HB 6, which enhanced the criminal penalty for the manufacturing or delivery of fentanyl, and included possession of fentanyl with the intent to deliver in the organized crime activity statute. It also created a new criminal offense of murder for the sale or production of fentanyl that results in someone's death.

Another important piece of legislation that I supported was SB 867, which allows the distribution of life-saving opioid antagonists, like NARCAN, to Texas colleges and universities to prevent opioid poisonings.



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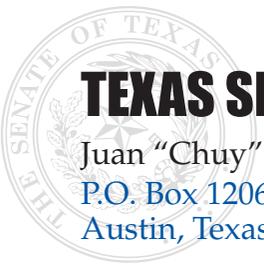
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*Semper Fidelis*

# JUAN "CHUY" HINOJOSA

## TEXAS SENATOR



## update

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